
Dimensional's Social & Sustainability Screens

December 2025

Prepared for Index Fund Advisors

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Socially Responsible Screens

Comparison of Social Strategy Screens with Socially Responsible Investment Guidelines for the United States Conference of Catholic Bishops (USCCB) as of November 17, 2021

Social Strategy Screens

The exclusionary screens address the business activities of companies across several areas of concern

Healthcare

Stem Cell Research

Companies that are involved in stem cell research.

Abortions, Abortive Agents, and Contraceptives

Companies that directly participate in abortions or develop or manufacture abortive agents or contraceptives.

Human Rights and Controversies

Child Labor

Companies that have had involvement in severe child labor controversies.

Private Prisons

Companies operate, manage, or provide staffing services to, for-profit correctional and/or detention facilities.

Republic of the Sudan

Companies that are engaged in certain for-profit business activities in or with the Republic of the Sudan.

Business Conduct

Companies identified as having material involvement in severe environmental, social or governance controversies that indicate operations inconsistent with responsible business conduct standards, such as those defined by the UN Global Compact Principles and the OECD Guidelines for Multinational Enterprises.

Environmental

Coal

Companies with ownership of coal reserves or revenue from the mining of coal.

Carbon Intensity and Potential Emissions from Reserves¹

Companies that have high greenhouse gas emissions or reserves that may produce those emissions.

Weapons

Conventional or Nuclear Weapons

Companies that earn at least 10% of their total annual revenue through the production and/or sale of conventional or nuclear weapons, their weapon systems, or key components of these products, or the provision of weapon systems support and service related to nuclear weapons, such as the repair and maintenance of nuclear weapons.

Landmines and Cluster Munitions

Companies that are involved in the production of landmines, cluster munitions, or key intended components of such weapons.

Civilian Firearms

Companies involved in the production of civilian firearms.

Substances

Tobacco, Alcohol, or Cannabis

Companies that earn at least 10% of their total annual revenue from the production and/or sale of tobacco, alcoholic beverages as an intoxicating agent, or cannabis products.

Entertainment

Adult Entertainment

Companies that earn at least 10% of their total annual revenue from the retail, distribution, or production of pornographic products.

Gambling

Companies that earn at least 10% of their total annual revenue from the ownership or operation of gambling facilities, licensing their brand name to gambling products, or providing support or services to the gambling industry.

1. Carbon Intensity represents a company's recently reported or estimated Scope 1 (direct) + Scope 2 (indirect) greenhouse gas emissions in carbon dioxide equivalents. Carbon Intensity represents a company's recently reported or estimated Scope 1 (direct) + Scope 2 (indirect) greenhouse gas emissions in carbon dioxide equivalents (CO₂e) normalized by sales in USD (metric tons CO₂e per USD million sales). Greenhouse gases included are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃). Potential Emissions from Reserves is a theoretical estimate calculated by MSCI of carbon dioxide produced if a company's reported reserves of oil, gas, and coal were converted to energy, given estimated carbon and energy densities of the respective reserves.

Summary of USCCB Principles

Principles of Stewardship

Guidelines are directed by two fundamental and interdependent principles:

1. Exercise responsible financial stewardship over economic resources.
2. Exercise ethical and social stewardship in its investment policy.

Investment Strategies

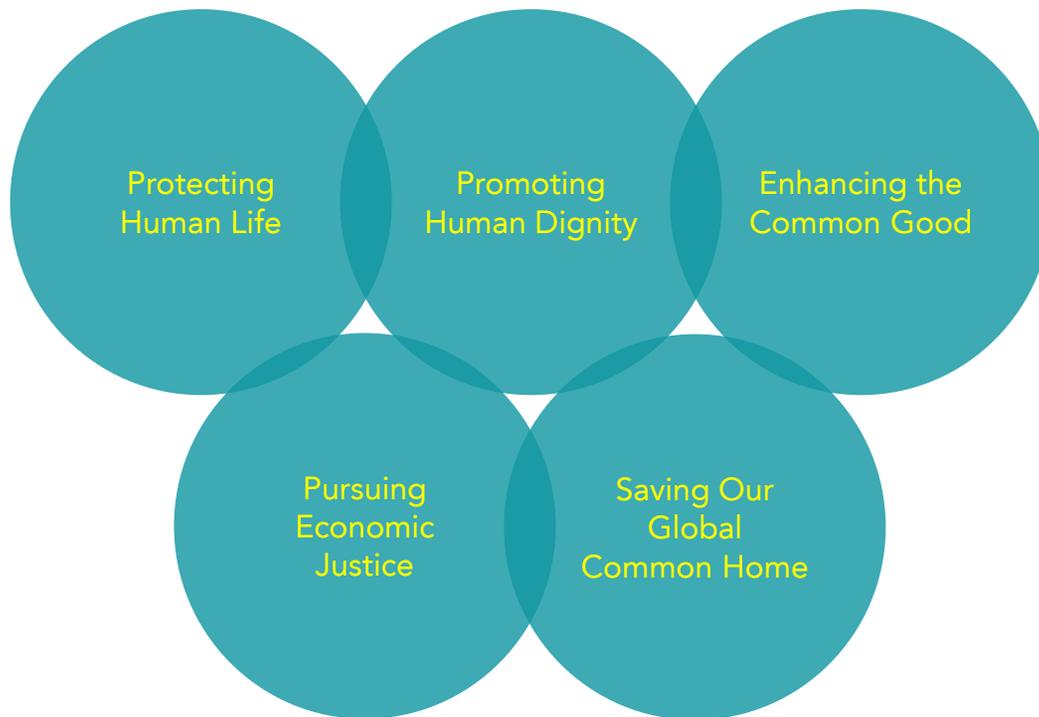
Carry out these principles through investment strategies that apply these three approaches:

1. Do no harm (avoid evil).
2. Actively work for change.
3. Promote the common good.

Financial Impact

Consider financial impact of social investment considerations.

Summary of USCCB Policies



The USCCB Policies cover five areas that investors may consider in applying the Principles to their investment strategies.

The Policy does not give specific security-level investment guidelines, nor does it give an exhaustive list of social concerns.

Dimensional's approach to social investing focuses on developing meaningful ways to screen for areas of social concern, including those identified by USCCB policies.

USCCB Policy Areas and Guidelines

USCCB Policy Area Recommendations	Specific USCCB Options Based on Principles
Protecting Human Life	Abortion, Euthanasia, Assisted Suicide Access to Drugs and Vaccines Embryonic Stem Cell and Fetal Tissue Research Human Cloning In Vitro Fertilization
Promoting Human Dignity	Contraceptives Discrimination The Human Person Human Rights Human Trafficking and Forced Labor Marriage, Sexual Integrity, and Family Pornography and Commercial Sexual Exploitation
Enhancing the Common Good	Addictive Materials or Harmful Habitual Behaviors Reducing Arms Production Media and Telecommunications
Pursuing Economic Justice	Affordable Housing/Banking Encouraging Social, Environmental, and Financial Responsibility Impact Investing Labor Standards
Saving Our Global Common Home	Biodiversity Climate Change Environmental Impact Water and Natural Resources Technology

The "Principles and Policies" represent the Principles for USCCB Investments and the USCCB Investment Policies as established by the US Conference of Catholic Bishops (USCCB). The USCCB does not endorse the services or products of any investment firms. Investors should consult the Principles and Policies at <https://www.usccb.org/resources/socially-responsible-investment-guidelines-united-states-conference-catholic-bishops> and review their own investment policies and guidelines.

USCCB Guidelines and Social Strategy Comparison

Dimensional Social Strategy Focus Areas	Dimensional Social Strategy Screens	Aligned Areas of USCCB Principles and Policy	
Entertainment	<ul style="list-style-type: none"> • Adult Entertainment • Gambling 	Do no harm	Promoting Human Dignity Enhancing the Common Good
Environmental	<ul style="list-style-type: none"> • Coal • Greenhouse Gas Emissions Intensity and Potential Emissions from Reserves 	Do no harm	Saving Our Global Common Home
Healthcare	<ul style="list-style-type: none"> • Abortions, Abortive Agents, and Contraceptives • Stem Cell Research 	Do no harm	Protecting Human Life Promoting Human Dignity
Human Rights and Controversies	<ul style="list-style-type: none"> • Child Labor • Private Prisons • Republic of the Sudan • Business Conduct 	Do no harm	Promoting Human Dignity
Substances	<ul style="list-style-type: none"> • Alcohol¹ • Cannabis • Tobacco 	Do no harm	Enhancing the Common Good
Weapons	<ul style="list-style-type: none"> • Civilian Firearms • Conventional and Nuclear Weapons • Landmines and Cluster Munitions 	Do no harm	Enhancing the Common Good

Dimensional Stewardship

Active Ownership

The Dimensional Social Strategies may also incorporate social considerations into proxy voting decisions.²

1. While the USCCB Policies do not directly address alcohol, it may be interpreted as an issue aligned with guidelines related to addictive materials or harmful habitual behaviors.

2. The Dimensional Social Strategies vote according to their proxy voting policies and procedures. For these strategies, Dimensional may support shareholder proposals aimed at enhancing the disclosure around certain social issues. Additional information about proxy voting policies, procedures, and records, including social strategy voting records, is available at <https://us.dimensional.com/about-us/investment-stewardship>. Dimensional from time to time discusses governance matters with portfolio companies to represent client interests; however, regardless of such conversations, Dimensional, on behalf of its clients, acquires securities solely for the purpose of investment and not with the purpose or intended effect of changing or influencing the control of any portfolio company.

The United States Conference of Catholic Bishops (USCCB) Socially Responsible Investment Guidelines were taken into consideration when Dimensional established the social screen criteria for its social funds; however, the social funds are governed by their prospectus and are not intended to be managed in precise conformity with the USCCB investment guidelines.

Sustainability Screens

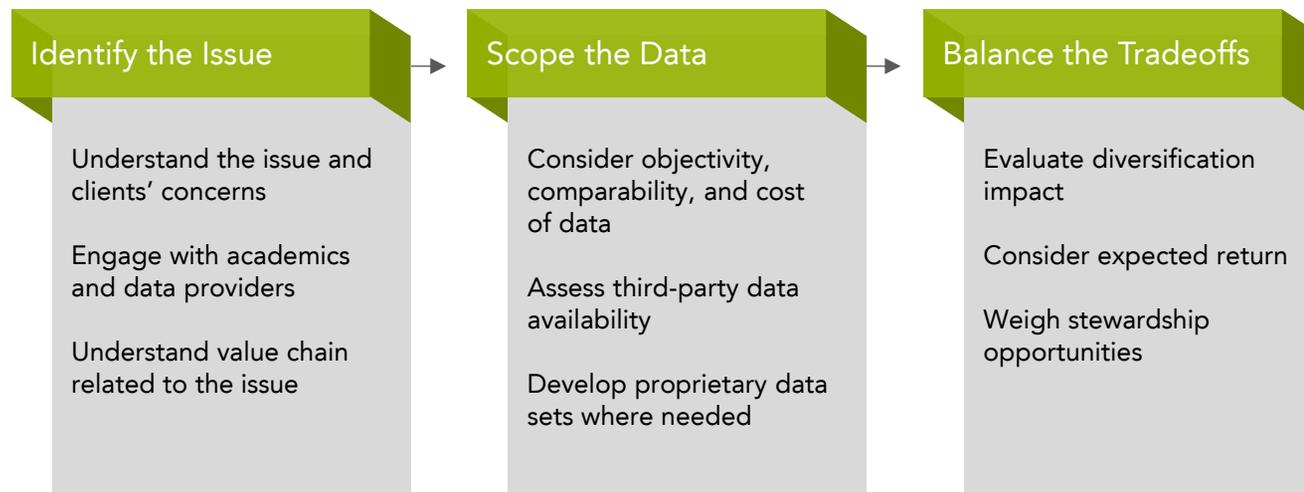
Dimensional's Sustainability Strategies

Start with a broadly diversified, systematic investment approach

Target climate-focused sustainability considerations, while pursuing higher expected returns

Provide diversified, low turnover, and cost-effective strategies with higher expected returns and transparent sustainability reporting

Developing ESG Screens



Screening can allow investors to avoid or de-emphasize areas of concern in the direct equity sleeve.

Screening involves tradeoffs, such as potentially reducing diversification and losing the ability to engage and vote at excluded companies.

Emissions Data

Focusing on greenhouse gas emissions data enables a climate-focused investment approach

Relevancy

Greenhouse gas emissions are the primary driver of climate change.

Accessibility

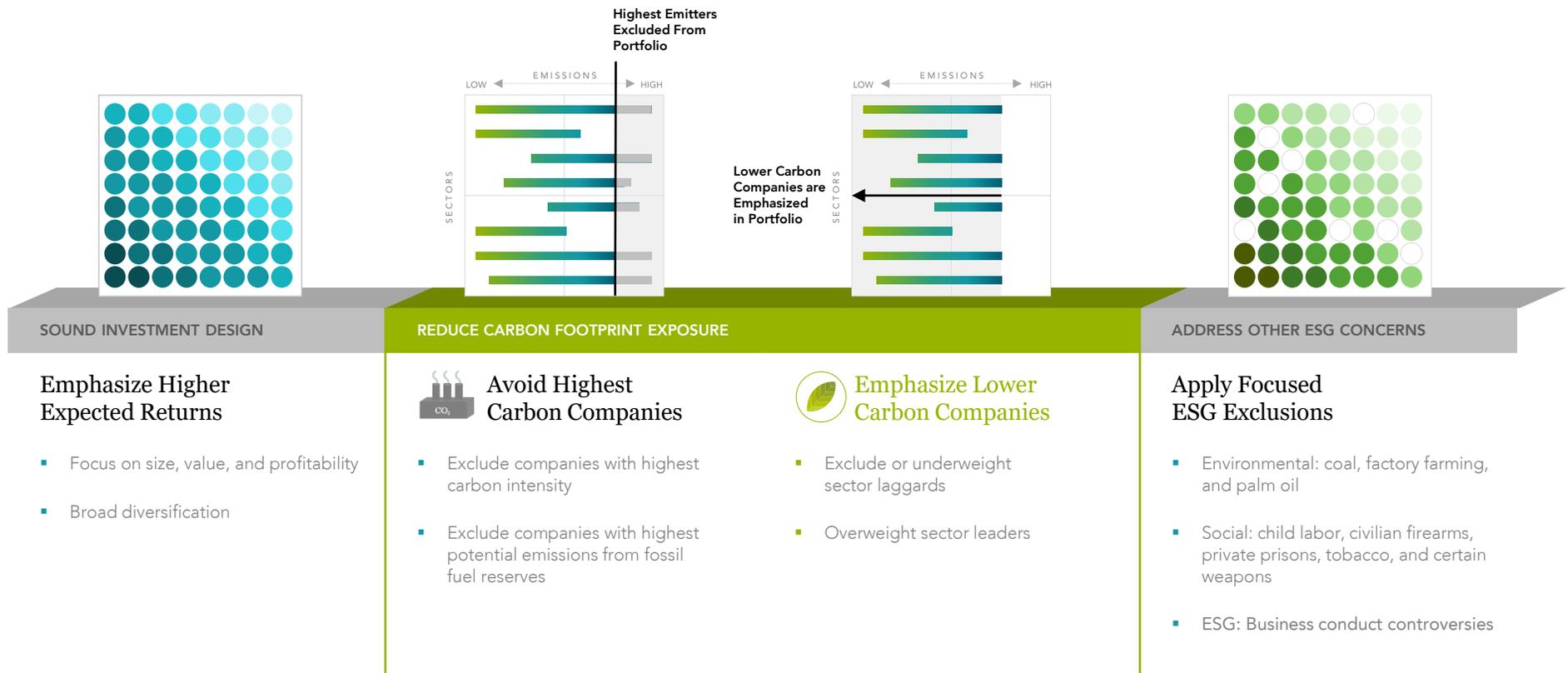
Companies around the world report greenhouse gas emissions annually.

Comparability

Comparing companies' emissions data allows investors to compare companies' environmental characteristics.

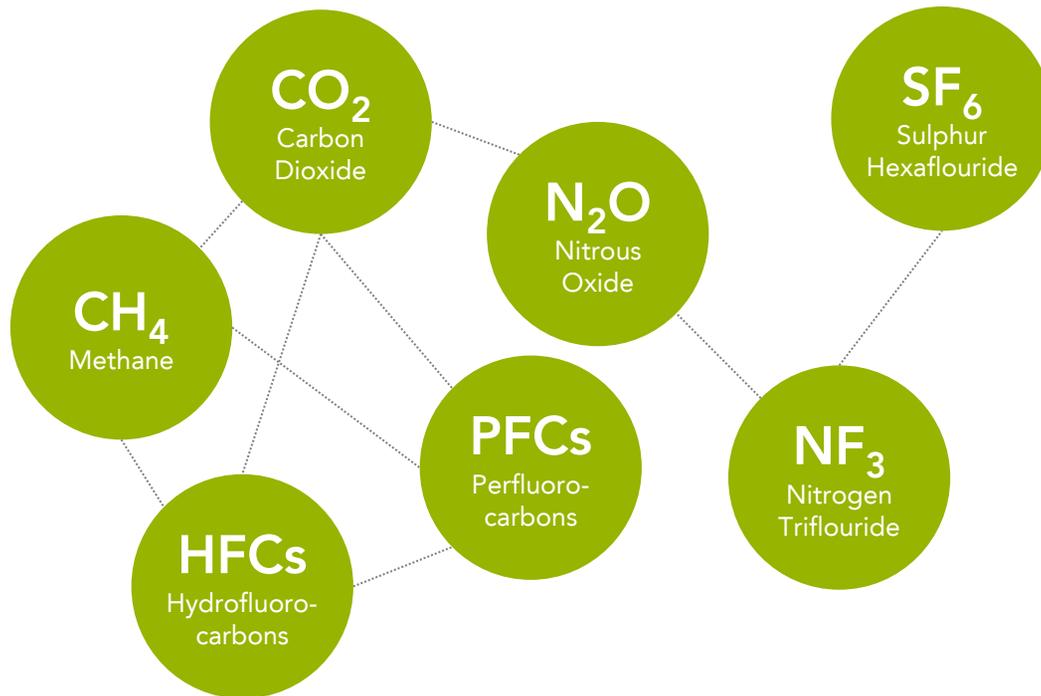
Higher Expected Returns, Lower Carbon Footprint

Integrating sustainability considerations with diversified strategies and reduced carbon footprint exposure



Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. **Carbon Intensity** represents a company's recently reported or estimated Scope 1 (direct) + Scope 2 (indirect) greenhouse gas emissions in carbon dioxide equivalents (CO₂e) normalized by sales in USD (metric tons CO₂e per USD million sales). Greenhouse gases included are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃). **Potential Emissions from Reserves** is a theoretical estimate calculated by MSCI of carbon dioxide produced if a company's reported reserves of oil, gas, and coal were converted to energy, given estimated carbon and energy densities of the respective reserves. **Sector laggard** represents the companies with highest carbon intensity within each sector. **Sector leader** represents the companies with lowest carbon intensity within each sector. See "Sustainability Considerations: Sustainability Core Equity" in the Appendix for additional detail on the application of sustainability considerations.

Greenhouse Gas (GHG) Emissions



CO₂e

Carbon Dioxide Equivalents

Unit used to compare emissions of various gases by converting each gas to an equivalent amount of CO₂ based on their global warming potential

Greenhouse Gas (GHG) Emissions

Emissions scopes



Direct Emissions

SCOPE 1

Reporting Company Activities

Emissions from operations that are owned or controlled by the reporting company.

Indirect Emissions

SCOPE 2

Upstream Activities

Emissions from the generation of purchased or acquired electricity, steam, heating or cooling consumed by the reporting company.

Reporting Methods

- Location-based:
Considers average grid emissions factors for local electricity grid
- Market-based:
Considers contractual arrangements in procuring power

Companies may purchase instruments, which offset their market-based emissions.

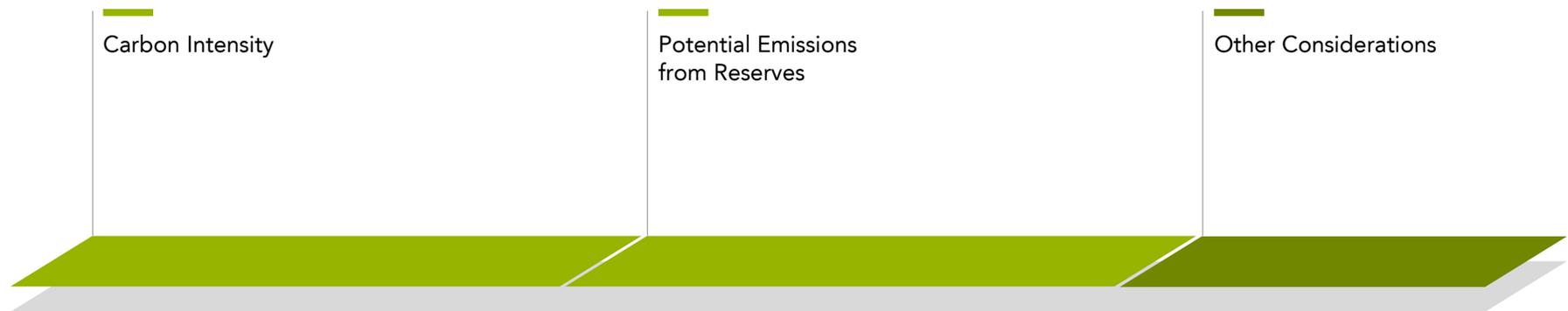
SCOPE 3

Upstream and Downstream Activities

Emissions that occur in the upstream downstream value chain of the reporting company.

A Focus on Climate Change

Developing sustainability scoring variables for issuers



SCOPE 1

Direct Emissions

Emissions from operations that are owned or controlled by the reporting company.

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SCOPE 2

Indirect Emissions

Emissions from the generation of purchased or acquired electricity, steam, heating or cooling consumed by the reporting company.

Fossil fuel reserves that may result in future emissions.

Operational Waste
 Coal Reserves
 Toxic Spills and Releases
 Land Use and Biodiversity
 Water Management
 Palm Oil
 Factory Farming
 Business Conduct

Sustainability Considerations

Sustainability Core Equity

EMISSIONS-FOCUSED EXCLUSIONS ¹		
Carbon Intensity	Exclude or underweight top contributors to greenhouse gas emissions.	
Potential Emissions from Reserves	Exclude or underweight companies based on potential emissions from fossil fuel reserves.	
SUSTAINABILITY SCORE WEIGHTING		
Carbon Intensity ¹	85% of score	Emphasis within each industry is placed on companies with higher sustainability scores, and companies with lower sustainability scores are minimized or excluded.
Land Use and Biodiversity	15% of score	
Toxic Spills and Releases		
Operational Waste		
Water Management		
ADDITIONAL ESG REFINEMENTS ²		
Coal	Companies with ownership of coal reserves or revenue from the mining of coal are generally excluded.	
Palm Oil	Companies that earn at least 10% revenue from the production or distribution of palm oil are generally excluded.	
Factory Farming	Companies involved in intensive commercial animal husbandry for the purpose of food production are generally excluded.	
Child Labor	Companies involved in severe child labor controversies are generally excluded.	
Private Prisons	Companies that operate, manage, or provide staffing services to for-profit correctional and/or detention facilities are generally excluded.	
Tobacco	Companies that earn at least 10% of their total annual revenue related to production, distribution, or retail sales are generally excluded.	
Landmines and Cluster Munitions	Companies involved in the production of cluster munitions, landmines, or key components of these products are generally excluded.	
Civilian Firearms	Companies involved in production of civilian firearms are generally excluded.	
Business Conduct	Companies with material involvement in severe environmental, social, or governance controversies are generally excluded.	

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2. Issuers may be excluded or underweighted for other factors believed to be important to investors interested in sustainability, such as issuers associated with significant environmental controversies.

Emissions Metrics

Carbon Intensity represents a company's recently reported or estimated Scope 1 (direct) + Scope 2 (indirect) greenhouse gas emissions in carbon dioxide equivalents (CO₂e) normalized by sales in USD (metric tons CO₂e per USD million sales). Greenhouse gases included are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃). This methodology is subject to change with data developments or other findings or events. Potential Emissions from Reserves is a theoretical estimate of carbon dioxide produced if a company's reported reserves of oil, gas, and coal were converted to energy, given estimated carbon and energy densities of the respective reserves. This methodology is subject to change with data developments or other findings or events.